GOVERNMENT OF ANDHRA PRADESH
ABSTRACT

Industries & Commerce Department - Waiver of a total amount of Rs.227,04,59,292/- (Rupees Two hundred twenty seven crores, four lakhs, fifty nine thousand, two hundred and ninety two only) due towards Purchase Tax Principal, Interest and Penalties pertaining to Cooperative/ Nizam Sugars (Public Sector) /Khandasari Sugar Mills in the State– Orders - Issued.

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INDUSTRIES AND COMMERCE (Prog.II) DEPARTMENT

G.O.Ms.No. 18 Dated: 29-01-2019

Read the following:-

1. Minutes of the meeting of GoM held on 20.12.2018.
2. From the DoS&CC, Tadepalli, Rc.No.F1/325/2017, Dt: 01.2019.
3. Cabinet Resolution No.63, Dt: 22.01.2019.

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ORDER:

In the reference 1st read above, the Group of Minster meeting held on 20-12-2018 after detailed discussion on sugar related issues among other issues resolved the following regarding purchase tax:-

1. To waive the interest & penalties on purchase tax due on Private Sugar Factories, subject to payment of Principal Purchase Tax amount under OTS.
2. To waive the entire Purchase Tax due including Principal, interest & penalties pertaining to the Co-operative Sugar Factories, NSF units and Closed Khandasari Units.

2. During the GoM's deliberations on the subject, the following issues were also suo-moto discussed by the Chairman GoM;

(i) Outstanding Purchase Tax dues are pertaining to the years prior to 2001-02. Even after best efforts are made to collect the Purchase Tax; the Principal, Interest & Penalties of Purchase Tax are pending for the past 16 years due to the weak financial position of the Coop. Sugar Factories including closed CSFs and privatized CSFs. Even the working Coop. Sugar Factories are also requesting Government for financial assistance to meet the day to day expenditure, due to huge accumulated losses, and hence, there is no scope to collect the Purchase Tax from these units.

(ii) Further, due to sale of assets of the Nizam Sugars Ltd., after 2002-03 season, there is no scope to collect the Purchase Tax from these units.

(iii) After closure of Khandasari Sugar mills prior to 1994-95 itself, the whereabouts of the owners of these Khandasari Units are not traceable. Thus, there is no scope to collect the Purchase Tax from these units.

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3. In the reference 2nd read above, the Director of Sugar and Cane Commissioner, has informed that as per the resolutions in the Group of Minister Meeting held on 20-12-2018, Sugar Factory-wise amount of Purchase Tax to be waived off **as on 31-12-2018** is proposed for the following Sugar Factories as detailed hereunder;

Sl. No.	Sugar Factory	Principal (in Rs.)	Interest (in Rs.)	Penalty (in Rs.)	Total (in Rs.)
1.	Sri Sarvaraya sugars Ltd., Chelluru (Private)(W.P .pending in High Court)	5944768	18082519	0	18082519
2.	Coop. Sugar Factories (Working)	144118627	429616456	97281607	671016690
3.	Coop. Sugar Factories (Closed)	240378173	719521125	870792	960770090
4.	Coop. Sugar Factories Privatized (Working)	64328386	194299131	0	258627517
5.	Coop. Sugar Factories Privatized (Closed)	44772903	135586143	20000	180379046
6.	Nizam Sugar Units	49101271	149483074	0	198584345
7.	Khandasari Sugar Mills	255358	786639	39607	1081604
	TOTAL	548899486	1647375087	98212006	2288541811

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4. The DoS&CC, has requested that a total amount of Rs. 228,85,41,811 (Rupees Two hundred and Twenty Eight Crores, Eighty Five Lakh, Forty One thousand Eight hundred and Eleven only) is proposed for waiver as discussed and resolved in GOM Meeting pertaining to Private/Co-operative/ Nizam(Public Sector)/Khandasari Mills in the State.

5. Government after careful examination of the matter here by order for waiver of a total amount of **Rs. 227,04,59,292/- (Rupees Two hundred and Twenty Seven Crores, Four Lakh, Fifty Nine Thousand Two hundred and Ninty Two only)** towards principal , interest and penalty of purchase tax as discussed and resolved in GOM Meeting pertaining to following Co-operative/ Nizam(Public Sector)/Khandasari Mills in the State :

1. **Five(5) Working Co-Op Sugar Factories viz** .,

(i).Sri Vijayarama |Gajapathi CS Ltd., (ii)Chodavaram CS Ltd., (iii) Etikoppaka (iv) Thandava & (v) Anakapalle VVR, Thummapala.

2. **Five(5) Closed Co-Op Sugar Factories viz** .,

(i) Kovur CSF (ii) NVR & ADR (iii) Chittoor CS Ltd (iv) Sri Venkateswara (v) Cuddapah Coop.Sugars Ltd.,

3. **Two(2) Privatised Co-Op Sugar Factories viz**

(i) Sri Hanuman CSF (ii) West Godavari CS Ltd.,

4. **Four(4) Closed Co-Op Sugar Factories viz.,**

(i) Nagarjuna CSF (ii) Nandyal CSF (iii) Sri ASM (iv) Amadalavalasa

5. Four (4) Nizam Sugar Units(Public Sector viz .,

(i) NSF, Bobbili (ii) NSF, Seetanagaram (iii) NSF, Lachayyapeta (iv) NSF, Hindupur

6. Seven(7) Khandasari Sugar Mills viz.,

(i) Sri Sobhanbachala, Bommuluru (ii) Sri Ramakrishna, Doneatukuru (iii) Srinivasa, Davispet, (iv) Lakshmi Srinivasa, Lakshmipuram (v) Parameswari, Vetapalem (vi) Ananta, Krishnayapalem (vii) Satyasai Kisan, Lingayapalem.

6. The Director of Sugar and Cane Commissioner, A.P, Tadepalli, Guntur District shall take further necessary action accordingly.

7. This order issued with the concurrence of the Finance (FMU, I&C) Dept., vide their U.O.No. FIN01-FMU0ASD(IC)/11/2019-FMU-IC, dt.28.01.2019.

(BY ORDER AND IN THE NAME OF THE GOVERNOR OF ANDHRA PRADESH)

M. GIRIJA SHANKAR
SECRETARY TO GOVERNMENT

To
The Director of Sugar & Cane Commissioner, A.P, Tadepalli, Guntur District.
The All District Collectors,

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The All Assistant Cane Commissioner (through DoS&CC)
Copy to
The AGAP, Vijayawada
All Sugar Factories in the State (through DoS&CC)
The PS to the Minister for Industries
The PS to Secretary to Government (Food Processing)
The Finance (FMU-REV-I&C) Dept.,
The GAD(Cabinet) Department
SF/SC.

//FORWARDED :: BY ORDER//

SECTION OFFICER